

# **EXHIBIT 1**



## UNITED STATES POSTAL INSPECTION SERVICE IS FORM 75 - REPORT OF ACTIVITY

CASE NUMBER   PROGRAM	DIVISION	DOMICILE	ACTIVITY DATE	START TIME:	END TIME:
2994965-MF	HQ OFFICE	DOJ MAIL FRAUD TEAM/CEOS	12/04/2023	02:30 PM	02:48 PM
SUBMITTING EMPLOYEE   WRN	ACTIVITY TYPE				
CAREinsJarin-6564	Misc-Other				
REPORT TITLE Conference Call with Lilia Murphy					

### DETAILS

On December 4, 2023, at approximately 2:30pm Pacific Time, Assistant United States Attorney Valerie Makarewicz ("AUSA Makarewicz"), Department of Justice Trial Attorney Manu Sebastian ("TA Sebastian"), and Postal Inspector Christine Reins-Jarin participated in a conference call with Lilia Murphy ("Murphy"). In the matter of bond for Jason Cardiff ("Cardiff"), Murphy agreed to be a surety, using the full value of her property at 1208 Weyland Way, Kingwood, Texas. Also present during the call was Stephen Cochell ("Cochell"), a friend of Cardiff and an attorney, and Hilary Potashner ("Potashner") of Larson LLP, the firm representing Cardiff. The purpose of the call was to establish that Murphy fully understood her obligations as a surety in the matter involving Cardiff.

AUSA Makarewicz introduced herself and TA Sebastian to Murphy as the prosecutors in this criminal case against Cardiff. Murphy acknowledged and was aware that the matter was a criminal case. AUSA Makarewicz explained that a magistrate judge would normally review what it means to be a surety but since Murphy was not present during the bond hearing, the prosecuting attorneys requested to speak with Murphy to determine that she understood this undertaking.

AUSA Makarewicz explained that Murphy's home would be used as bond. Murphy confirmed that her home at 1208 Weyland Way was her primary residence, with a mortgage of approximately \$200,000 outstanding. Murphy understood that \$500,000 of equity in the home would be used for Cardiff's bond.

Murphy was aware that Cardiff would have bond conditions but did not know the details. AUSA Makarewicz explained that if Cardiff violated his conditions of release, the government would be able to move against her property. AUSA Makarewicz explained that the following are conditions of Cardiff's release:

- he will be monitored by Pretrial Services (U.S. Probation and Pretrial Services; "Pretrial")
- he will surrender his passports
- his travel is restricted to the Central District of California and the Southern District of Texas, as well as travel between the two districts; any other travel must be applied for and approved
- he will not travel internationally and must apply for any international travel
- he will reside in Murphy's home in the custody and care of Cochell
- he must seek employment
- he will not have any contact with any witnesses or victims in this case
- he will not possess firearms or have them near
- Pretrial may be able to conduct a search of Cardiff and of the property with law enforcement
- he will not have or use identification documents, access devices, or mail matter other than in his own true legal name
- he will not transfer over \$5000, except for paying his attorney fees
- he will be under location monitoring with a location monitoring device on his person

Murphy confirmed that she understood the conditions. Murphy said she does not have firearms and Cochell also said he does not have firearms.

Murphy asked if Cardiff will wear the monitoring device from California. AUSA Makarewicz explained that Cardiff will be released to Pretrial custody, who will place a monitoring device on him. Cardiff will have 48 hours to visit his father and Cochell will then take Cardiff to Texas. Cardiff must check-in with the local Pretrial officer when he arrives in Texas. Pretrial in Texas will provide Cardiff with information and Cardiff must comply with their instructions. AUSA Makarewicz did not know if Pretrial in Texas will place a different monitoring device on Cardiff. Cardiff is not allowed to remove his monitoring device. Murphy confirmed that she understood.

Cardiff has a curfew from 8:00pm to 8:00am and must be at home during that time. Cardiff will be in the custody of Cochell. Murphy confirmed that she understood.

AUSA Makarewicz told Murphy that the judge reviewed the release conditions with Cardiff in court. AUSA Makarewicz said that if Cardiff violates any conditions of his release and the court finds he did so willingly, the government can move against Murphy's home for \$500,000 and foreclose on the home. AUSA Makarewicz informed Murphy that she (AUSA Makarewicz) has forfeited bond previously. Murphy confirmed that she understood.

Murphy asked what she should do if she observes Cardiff violating the conditions. AUSA Makarewicz advised Murphy that she should contact Cardiff's attorney or Pretrial. AUSA Makarewicz also informed Murphy that Murphy has the ability to revoke the bond if Murphy decides it is not working out. AUSA Makarewicz explained that if Cardiff misses a court appearance, this is also a violation of bond. Murphy confirmed that she understood.

Regarding Cardiff's ability to travel to California, Murphy asked how Cardiff will be able to fly if he does not have identification. Potashner indicated that they are inquiring if Pretrial may be able to provide Cardiff with documentation.

Murphy was aware of the prior Federal Trade Commission filing against Cardiff and was aware of the indictment in this current criminal case.

Murphy said she appreciated the call and the concern for her understanding of this matter.

Murphy was told that she can contact Cardiff's attorney or Pretrial if she has any questions.

Cochell wanted it to be known that he owns a pistol but it is in storage. AUSA Makarewicz acknowledged this, as long as the pistol remained in storage. Murphy confirmed she understood.

The call ended at approximately 2:48pm.

END OF REPORT

